

Old Age, Disability, Death

First law: 1950.

Current law: 1958, as amended 1988 and 1994 (effective March 1995).

Type of program: Social insurance system. Lump-sum benefits only.

Exchange rate: U.S.\$1.00 equals 32.47 Taiwan dollars (NT\$).

Coverage

Employees of firms in industry and commerce, mines, and plantations with 5 or more workers; wage-earning public employees; public utility employees; fishermen; and some self-employed in service occupations.

Special systems for farmers, salaried public employees, and staffs of private schools.

Voluntary program for employees in firms with fewer than 5 workers, and the self-employed (except some self-employed in service occupations under compulsory coverage above).

Source of Funds

Insured person: 1.3% of earnings (self-employed, 3.9%).

Employer: 4.55% of payroll.

Government: 0.65% of employee wages (self-employed, 2.6%), and cost of administration.

Maximum earnings for contribution and benefit purposes: NT\$42,000 a month.

Above contributions also finance cash sickness and maternity benefits, and unemployment benefits.

Qualifying Conditions

Old-age grant: Age 60 (men) or 55 (women) with 1 or more years of coverage, or any age with 25 or more years of coverage; age 55 (men) with 15 or more years of coverage; or age 55 (miner) with 5 or more years of coverage. Retirement from covered employment necessary.

Disability grant: Permanent total or partial incapacity, and payment of contributions at any time in the past.

Survivor grants: Payment of contributions at any time in the past.

Old-Age Benefits

Old-age grant: Lump sum equal to 1 month's average earnings (based on 36-month period before retirement) per year of contribution up to 15 years, plus 2 months' earnings per year of contribution beyond 15 years. Maximum grant: 45 months' earnings. Increment of 1 month's earnings for each year of continued work and contribution after age 60. Maximum increment, 5 months' earnings.

Permanent Disability Benefits

Disability grant: Lump sum equal to 40 months' average earnings (based on 6-month period before disability).

Partial disability: Lump sum equal to 1 to 33-1/3 months' earnings, according to degree of incapacity.

Survivor Benefits

Survivor grant: Lump sum equal to 30 months' average earnings (based on 6-month period before death) of insured (20 months'

earnings if less than 2 years but more than 1 year of contribution, or 10 months' earnings if less than 1 year of contribution).

Eligible survivors (in order of priority): Spouse and children, parents, dependent grandparents, grandchildren, and brothers and sisters.

Funeral grant: Lump sum equal to 5 months' earnings.

Administrative Organization

Labor Insurance Department of the Council of Labor Affairs, general supervision.

Taiwan Labor Insurance Bureau, administration of program under direction of tripartite Labor Insurance Commission and director-general.

Sickness and Maternity

First law: 1950.

Current law: 1958, as amended 1988 (cash benefits for sickness and maternity); 1994 (National Health Insurance, effective March 1995).

Type of program: Social insurance system. Limited cash benefits.

Coverage

Residents for at least 4 months, including foreign nationals with resident permit. Terms vary according to respective plans for employees and their dependents covered under Labor Insurance, government service (including public and private school teachers), for the self-employed, the unemployed, and other covered groups. Exclusions: military personnel covered by special system.

Source of Funds

Insured person: Contribution rates vary according to plan.

Labor insurance plan for employees in industry and commerce:

Cash benefits for sickness and maternity for employees: see pension contributions above; medical benefits: 1.275% of wages for self, plus an additional 1.275% of wages for each dependent, up to 6.375% of wages for 5 or more dependents.

Employer: Contribution rates vary according to plan.

Labor insurance plan for employees in industry and commerce:

Cash benefits for sickness and maternity for employees: see pension contributions above; medical benefits: 2.55% of wages for employee, plus an additional 2.244% of wages for dependents, regardless of number.

Government: Contribution rates vary according to plan.

Labor insurance plan for employees in industry and commerce:

Cash benefits for sickness and maternity for employees: see pension contributions, above; medical benefits: 0.425% of wages for employee and dependent(s), plus any deficit in program costs.

Qualifying Conditions

Cash sickness benefits: Incapacity due to nonoccupational accident or illness (no minimum qualifying period specified).

Cash maternity benefits: 280 days of contribution before confinement, 181 days of contribution before premature labor.

Medical benefits: Nonoccupational accident or sickness (excluding various infectious diseases and maternity).

Sickness and Maternity Benefits

Sickness benefit (for nonoccupational accident or illness only): 50% of earnings. Payable after 3-day waiting period for up to 6 months (12 months, if more than 1 year of contribution).

Maternity grant: Lump sum equal to 1 months' earnings for normal and premature labor, payable to insured women.

Workers' Medical Benefits

Medical benefits: Medical care provided by private and public clinics and hospitals under contract with and paid directly by the National Health Insurance Bureau. Includes preventive and prenatal care, inpatient and outpatient hospital treatment, surgery, and medicines. Maximum duration: No limit. Patient pays: ambulatory and emergency care at clinics, 20% of scheduled fees; 30%-50% for visits to hospitals (according to the type of hospital, and if no physician referral); inpatient care for short-term illnesses, from 10% of cost for first 30 days to up to 30% for the 61st day and thereafter, depending on length of hospitalization; inpatient care for chronic long-term illnesses, from 5% for first 30 days to 30% for the 181st day and thereafter. Patient cost-sharing exempted in case of specified catastrophic illnesses.

Dependents' Medical Benefits

Medical benefits for dependents: Same as insured.

Administrative Organization

Cash sickness and maternity benefits: Labor Insurance Department of the Council of Labor Affairs, general supervision; Taiwan Labor Insurance Bureau, administration of program. National Health Insurance: contracted private and public clinics and hospitals, provision of care; National Health Insurance Bureau, administration of program.

Work Injury

First laws: 1929, 1950.

Current law: 1958, as amended 1988 and 1994 (effective March 1995).

Type of program: Social insurance system.

Coverage

Employees of firms in industry and commerce, mines, and plantations with 5 or more workers; wage-earning public employees; public utility employees; fishermen; and some self-employed in service occupations. Special systems for salaried public employees and staffs of private schools.

Source of Funds

Insured person: None.

Employer: **Cash benefits:** 0.08% to 3.0% of payroll, according to risk of industry. Average rate: 0.34%; **Medical care:** see medical benefits above.

Government: Cash benefits: None; Medical care: see medical benefits above.

Qualifying Conditions

Work-injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit: 70% of earnings for 1st 12 months; 50% of earnings thereafter.

Payable after 3-day waiting period for up to 24 months.

Permanent Disability Benefits

Permanent disability benefit: Lump sum equal to 60 months' earnings, if totally disabled.

Partial disability: Lump sum equal to 1-1/2 to 50 months' earnings, according to degree of disability.

Workers' Medical Benefits

Medical benefits: Inpatient and outpatient treatment, surgery, and medicines, see medical benefits above.

Survivor Benefits

Survivor benefit: Lump sum equal to 40 months' earnings of insured. Eligible survivors (in order of priority): Spouse and children, parents, dependent grandparents, grandchildren, and brothers and sisters.

Funeral grant: Lump sum equal to 5 months' earnings.

Administrative Organization

Labor Insurance Department of the Council of Labor Affairs, general supervision.

Taiwan Labor Insurance Bureau, administration of contributions and cash benefits, and medical benefits for employment injury; National Health Insurance Bureau, administration of medical benefits.

Unemployment

First law: 1968.

Current laws: 1968, effective January 1999.

Type of program: Social insurance system. Limited cash benefits.

Coverage

Employees (citizens aged 15-60) of firms in industry and commerce, mines, and plantations with 5 or more workers; wage-earning public employees; public utility employees; and fishermen.

Exclusion: Self-employed.

Source of Funds

Insured person: 0.2% of earnings.

Employer: 0.7 of payroll.

Government: 0.1 of employee wages, and cost of administration. Also funds allocated from contributions under old-age, disability and survivor pensions above.

Qualifying Conditions

Unemployment benefit: Unemployment not due to voluntary leaving; capable and willing to work; covered by Labor Insurance for at least 2 years; and registered at public employment office periodically, no suitable job offer or not recommended for occupational training in 14 days.

Unemployment Benefits

Unemployment benefit: 55% of covered earnings. Payable after 14-day waiting period, payable up to 3 months, or 16 months for entire working career, according to years of contributions.

Administrative Organization

Labor Insurance Department of the Council of Labor Affairs, general supervision.

Taiwan Labor Insurance Bureau, administration of program under direction of tripartite Labor Insurance Commission and director-general.